

Newsletter

February 22, 2021

Gill Insurance Service, Inc.
515 "F" Street, P.O. Box 576
Fairbury, NE 68352

Phone: 402-729-5157
www.gillinsurance.net
office@gillinsurance.net

2021 CROP INSURANCE

Like me, I'm sure most of you are glad to have the year 2020 over and are looking forward to Covid-19 being more controlled in 2021, allowing all of us to get back to a more normal life!

I was just reading an article this morning about how scientists are forecasting more extreme storm activity due to our ongoing climate change, which is evident with the unusual winter extremes currently happening in the southern states, and the fires and hurricanes on the east and west coasts along with abnormal temperatures.

Crop prices are currently looking to be much improved over the last few years. Hopefully prices will stay strong for 2021 to allow the agricultural industry a more prosperous year.

I encourage you to report your 2020 production if you haven't already done so. We can then give you updated average yields and yield guarantees should you want to contract grain for the future harvest, or adjust insurance levels for this year. **Remember March 15th is the deadline for making changes to your crop insurance!**

2021 SPRING PRICE

February is the month your spring prices and bushel guarantees are being determined. As

of Friday (February 19th) the average spring price for corn is \$4.53 and the soybean price is \$11.71. The final average price will be set at the end of February and we will post those prices on our website noted at the top of the newsletter.

IMPORTANT MPC I DATES - NEBRASKA

Sales Closing Date March 15
Policy Changes Deadline March 15
ECO (Enhanced Coverage Option) March 15
2020 Production Reporting Deadline April 29
2021 Acreage Reporting Deadline July 15
End of Insurance Period Dec. 10

MPC I PLANTING DATES - NEBRASKA

Corn: Earliest Plant Date: 4/10
Final Plant Date: 5/25

Soybeans: Earliest Plant Date: 4/25
Final Plant Date: 6/10

GSorg: Earliest Plant Date: 4/16
Final Plant Date: 6/15

**Late Planting Period is 20 days after the Final Plant Date. If planted during the Late Planting Period, there will be a 1% reduction in coverage for each day after the Final Plant Date.*

SOD BUSTING / LAND COMING OUT OF CRP

With increased grain prices farmers usually show more interest in breaking of sod and farm ground possibly coming out of CRP. Always let us know if you have either of these situations so we can adjust accordingly. Here are some of the guidelines!

Sod busting applies when more than 5 acres in the county are tilled.

- Native sod acreage is uninsurable the first year
- Must be insured for the next 3 years. The premium subsidy will be reduced 50% and the guarantee will be 65% of the county average for bushels. (In past years you could break up to 5 acres each year with no effect on coverage, but now acres will be added together each year and when they total 5 acres the sod busting rules will apply.)
- Production must be kept separate on these acres.

The first year ground comes out of CRP you must report acres separately and keep your production separate. The yield base will be 100% of the county average for the first year, and then averaged into any existing unit average for the crop planted after one year.

REPLANTING

You still must replant a minimum of 20 acres or 20% of the unit's total acres for replant to apply. The adjuster must be contacted before you replant to verify replant payment.

If replant is during the last 10 days of the late plant period and it is determined it is not

practical to replant, no replant payment will be made, and coverage continues based on the initial plant date.

No replant payment if the crop is planted prior to the earliest plant date, which is April 10 for corn and April 25 for soybeans.

AD-1026

Remember you must have an AD-1026 Form on file with the FSA office for 2021 to be eligible for the premium subsidy.

PERSONAL STATUS CHANGES BEFORE MARCH 15, 2021

We must be notified of personal status changes due to marriage, divorce, death, etc. so we can change your policy accordingly. Entity changes, such as creating trusts, incorporating, etc. must also be reported by March 15th.

Remember grain must be marketed in the same name as the named insured on the policy, and you must also be signed up at the FSA using the same name.

MPCI CLAIMS

Reporting claims timely is very critical! MPCI guidelines say claims should be turned in within 72 hours when obvious damage is found (such as wind and hail) or 15 days after harvest or the end of the insurance period (which is Dec. 10th) for revenue claims. You can always report a possible claim, and if it turns out there is no payable claim we can have the claim withdrawn. That way if there is a claim it is reported timely! In order for our adjuster to work your claim you will need your elevator load summary sheets with each load

marked as to which farm it came from, with irrigated and non-irrigated loads marked accordingly.

If you have grain from last year in a bin we must have an adjuster determine how many bushels are in the bin before you dump the new crop on top of the old crop in storage. Also, if you commingle different units into a bin, you need to mark where each unit level is on the outside of the bin so the adjuster can get measurements for bushel determination for each unit. We can also use load wagon printouts with unit verification marked on the load wagon printout.

You should contact us if you think you may be in a loss situation and we can walk you through what you need to do for your claims process.

ACREAGE REPORTING ACCURACY

YOUR ACREAGE REPORT IS THE MOST IMPORTANT INFORMATION YOU WILL REPORT ALL YEAR!

Please review your acres on your *Schedule of Insurance* carefully and verify they are correct. Review all forms you receive from us and from the insurance company for accuracy also.

NEVER DESTROY ACRES

Don't destroy any acreage, or use it in any way, other than what was originally intended, without notifying us first (this includes silage acres). An adjuster will need to appraise and release the acreage before it is destroyed if you want to be paid on a claim.

CROP HAIL / WIND

Wind continued to create more damage to corn that hail last year, and with the trend of severe storms for 2021 due to climate change I recommend you add wind coverage to your hail policy!

I am pleased that ProAg is keeping their hail and wind rates the same as they were for 2020. Remember the wind endorsement must be in place by June 15th! Also keep in mind your wind coverage has no deductible!! We can still do hail coverage after June 15th. Cash discounts are 3% if paid by August 30th.

NEW IN 2021

Enhanced coverage option (ECO) is a county based endorsement which begins to pay when the county yield or revenue falls below 95% or 90% of the county average. The farmer chooses a coverage level of either 90% or 95%. ECO provides a band of coverage between 86% and the elected trigger level (so you'd get either 4% or 9% of additional coverage). Remember this is county based and will not pay claims until after the county yields have been established, which is usually the following year.

PREMIUM BILLING FOR MPC1 AND CROP HAIL

No change from last year. Premium will be due August 15th for spring crops. You have until the end of September to pay without any interest. If the company doesn't receive payment before October 1 then interest will be added for September.

ProAg is offering a 3% cash discount this year on crop hail policies. To receive the 3% cash discount the crop hail premium must be paid by August 30.

Thank you for your confidence in Gill Insurance! I want you to know how much I appreciate your business, and I look forward to working with you again this year!!

KEEPING YOUR CROP INSURANCE LOCAL

Mick Gill

I encourage you to work with a local agent to not only make doing your insurance easier, but by doing so you help keep our resident agencies and economy thriving. Naturally I hope the local agency you choose is Gill Insurance. So if you or someone associated with your farming operation is going out of the area for coverage, encourage them to stay local, as you will be better served and you will help to keep our local economy prospering.

FINAL THOUGHTS

I know we are all looking forward to 2021 being a more normal year as we continue to have people vaccinated against Covid-19 and hopefully get the virus under control!

Weather is still a big concern with more extremes predicted for moisture and temperatures. Let's hope Mother Nature is good to us this year and grain prices continue to stay strong.

I want to once again encourage you to check your insured schedule of acres out very carefully to make sure all is correctly reported! If not let me know as soon as you find something incorrect as once a claim is turned in the I'm not able to make any corrections which could affect your coverage.